

Southern Ohio Health Care Network
July 2008 Quarterly Report for 2nd Quarter of 2008

I. Project Contact & Coordination Information

A. The Southern Ohio Health Care Network (SOHCN) is now incorporated as a 501(c)(3). The following is a list of SOHCN board members:

<u>Name</u>	<u>Position</u>	<u>Affiliation</u>
Marcus Bost	President	CIO, Adena Health System
Kristine Barr	Vice President	CIO/VP of Comm., O'Bleness Health System
Anthony Carna	Member	Neonatal Services, Nationwide Children's Hospital
Keith Coleman	Member	CFO, Adena Health System
Dr. Andy Eddy	Member	VP of Medical Affairs, Southeastern Ohio Regional Medical Center
Mark Harvey	Member	CIO, Holzer Clinic
Dr. Sathish Jetty	Member	CMIO, Adena Health System
Brian Phillips	Member	CIO, Ohio University College of Osteopathic Medicine
Tom Reid	Ex-officio	President, Reid Consulting Group
Morgan Saunders	Member	Telecommunications Mgr., Holzer Consolidated
Eric Skomra	Member	Health Systems IT Coordinator, Marietta Health Care
Physicians, Inc.		
Steve Trout	Member	Exec. Dir., Southern Consortium for Children

B. Contact information for responsible administrative officials:

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CIO, Adena Health System
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C. The Southern Ohio Health Care Network Inc. Board of Directors is **legally** responsible for the conduct of activities supported by the FCC RHCPP award.

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As the pilot project's fiduciary agent, Adena Health System is **financially** responsible for the conduct of activities supported by the FCC RHCPP award.

D. The staff of Reid Consulting Group (RCG) is contacting and visiting all eligible health care facilities in the counties included in the original RHCPP proposal to explain the SOHCN project and collect FCC-required letters of agency from each.

Coordination with Government:

In May, RCG presented an overview of the project to Ohio's USDA Rural Development office, at their request. A similar presentation was given to Fred Deel, director of Governor Voinovich's Office of Appalachia.

SOHCN is in regular contact with Glenn Enslen, grant coordinator for Rep. Zack Space (OH-18). We also keep in contact with Bridgeport Field Office staff of Rep. Charlie Wilson (OH-6).

Coordination with Technology Community:

SOHCN's OSCnet liaison is Dennis Walsh, director of partner relations for OSCnet's Technology Infrastructure division. RCG President Tom Reid participates in a weekly conference call with Internet2 staff, partners and stakeholders.

II: List of Health Care Facilities Included in the Network

Please see attached Excel spreadsheet for a list of participating sites, addresses and all requested information on each. The spreadsheet is divided into Phase I and Phase II of the proposed fiber optic network build.

Please Note: The Phase II list of participating providers is not comprehensive at this point. SOHCN will determine the scope of Phase II more definitively upon the completion of Phase I, when we can adequately predict the amount of funds available for the next and final phase of the project.

III. Network Narrative

SOHCN has not initiated the competitive bidding process yet. Therefore, at this time, we do not have an updated technical description of the communications network that we intend to implement.

IV. List of Connected Health Care Providers

SOHCN does not yet have any health care providers that are connected to the network and operational.

V. Non-Recurring and Recurring Costs

SOHCN has not yet incurred any non-recurring or recurring costs.

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VI. Apportioned Costs & Funding Sources to Pay Them

SOHCN has not yet initiated the process of apportioning costs. Adena Health System and Holzer Consolidated Health Systems (HCHS) are prepared to pay their 15% match when costs are incurred. RCG has made preliminary inquiries with other government agencies, representatives and grant programs to identify funding sources for eligible health care providers that will not be able to afford their 15% matches.

VII. Requirements & Procedures Necessary for Ineligible Entities' Network Participation

SOHCN has not yet established any requirements or procedures for providers that are ineligible for the FCC subsidy to connect to the Southern Ohio Health Care Network. We have contacted some of these ineligible facilities to ascertain their interest in SOHCN participation. These preliminary inquiries have received generally favorable response, especially in the case of the for-profit Holzer Clinics. These ineligible providers understand their responsibility for paying 100% of their network participation costs.

VIII. Updates to Project Management Plan

A. As stated above, over the last fiscal quarter, the Southern Ohio Health Care Network was incorporated as a 501(c)(3). SOHCN formed a Board of Directors and elected officers.

Holzer Consolidated Health Systems has contracted with Reid Consulting Group for support with network design, merger relations with the SOHCN, RFP creation and submission, vendor inquiries, etc.

The Southern Ohio Health Care Network and Holzer Consolidated Health Systems are poised to merge their respective pilot projects and will soon be requesting FCC approval of the merger. The resulting joint project will fulfill the objectives stated in **both** original funding proposals.

B. Project Plan/Schedule

While we would like to be more definitive (and aggressive) with the following proposed schedule, there are several factors that prevent us from doing so. Two factors in particular account for our inability to predict the project's progress with certainty: (1) ambiguous timeline for FCC approval of the SOHCN/HCHS merger and (2) ambiguous timeline for USAC approval of our join RFP.

<u>Year:</u>	<u>Quarter:</u>	<u>Objectives:</u>
2008 RFP	3 rd	Submit and post our Form 465 and Phase I
2008	4 th	Accept and evaluate Phase I proposals
2009	1 st	Award winning bid for Phase I

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2009	2 nd – 4 th	Implement Phase I network build
2009	2 nd	Submit and post Phase II RFP
2009	3 rd	Accept and evaluate Phase II proposals
2009	4 th	Award winning bid for Phase II
2010	1 st – 3 rd	Implement Phase II network build

IX. Network's Self-Sustainability

SOHCN has every intention of becoming a self-sustaining network. Our keys to network sustainability include the following:

- Support from three of the largest non-profit health care systems in the region (Adena Health System, O'Bleness Health System & Holzer Consolidated Health Systems)
- Use of existing, common telecommunication companies' services to build and maintain the fiber optic network
- Buy down of capital costs to keep recurring costs within the budget range of our participating rural providers
- Expenses for existing T-1s and other communications facilities will remain committed to the SOHCN project
- Increased reimbursement for telemedicine services in the future
- More effective sharing of medical expertise and information within the region

X. Network's Role in Advancing Telemedicine

Given that our network has yet to be built, we have not had a measurable impact on telemedicine in our part of the state. However, we have applied for a small grant from the USDA Rural Development's Distance Learning & Telemedicine program that would provide four of the health care facilities in Phase I with telemedicine equipment and training. If this small DLT pilot project is successful, we have every intention of applying for additional USDA DLT funds to benefit our other member providers.

XI. Compliance with HHS Health IT Initiatives

We have not initiated the competitive bidding process or network build yet. However, when we do, we intend to comply with all HHS initiatives and interoperability standards in order to support the creation of the Nationwide Health Information Network.

When the SOHCN is fully operational, it will be a tremendous support for our fledgling RHIO, the Appalachian Health Information Exchange (AHIE). AHIE has been floundering without broadband connectivity in Southern Ohio. The SOHCN will provide AHIE with central data storage of patient and public health information.

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XII. Coordination with HHS in Public Health Emergencies

The SOHCN is not yet operational and so has not been capable of facilitating coordination with HHS. While we hope to never encounter public health emergencies in our region, we are confident that the connectivity an operational SOHCN will provide our participating health care facilities will enable them to fully cooperate with HHS and its Centers for Disease Control and Prevention.

This report was prepared and submitted by Reid Consulting Group LLC, 4 Elizabeth Drive, Athens, OH 45701. Questions? Call (740) 590-0076